

1                   **EAST CHICAGO WATERWAY MANAGEMENT DISTRICT**  
2                   **BOARD OF DIRECTORS MEETING**

3  
4           Transcript of the meeting of the East Chicago  
5 Waterway Management District had on the 20th day of  
6 February, 2013, at 5:12 p.m., at the East Chicago City  
Annex Building, 4444 Railroad Avenue, East Chicago,  
Indiana.

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8  
9           **APPEARANCES :**

10           MR. JOHN FEKETE, President

11           MR. JOHN BAKOTA, Board Member

12           MR. RAY LOPEZ, Board Member

13           MR. HENRY RODRIGUEZ, Board Member

14           MR. FERNANDO TREVINO, Executive Director

15           MR. TIM ANDERSON, Clifton Larson Allen

16           MR. MIKE NGUYEN, U.S. Army Corps of Engineers

17           MR. DAVID ALONZO, BMO Harris Bank

18  
19  
20           **TRANSCRIBED BY:** Mary L. Slafindor

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23  
24                   **SLAFINDOR COURT REPORTING**  
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1                   **MR. FEKETE:** Call to order the  
2 February 20th meeting of the East Chicago Waterway  
3 Management District. And the time is now 5:12.  
4                   Roll call. John Bakota?  
5                   **MR. BAKOTA:** Here.  
6                   **MR. FEKETE:** Ray Lopez?  
7                   **MR. LOPEZ:** Here.  
8                   **MR. FEKETE:** Henry Rodriguez?  
9                   **MR. RODRIGUEZ:** Here.  
10                  **MR. FEKETE:** John Fekete, here.  
11 Ernie Jones? Mike Ebert? Rich Gomez? We have a  
12 quorum.  
13                  **MR. FEKETE:** First order of business  
14 is the consulting engineering report.  
15                  **MR. TREVINO:** Yes, Fernando Trevino  
16 with FMT Consulting. I'd like to start off with going  
17 over the contents of your board packet.  
18                  You have the meeting notes for  
19 January 16th, 2013 for approval consideration.  
20                  You have the claim docket, February  
21 20th, 2013.  
22                  You have Clifton Larson Allen  
23 financial statements, January 31st, 2013.  
24                  You have in your packet a letter of  
25 authorization to transfer funds to Citizens Bank dated

1 February 20, 2013. And that's also for approval  
2 consideration. Also a letter of authorization to BMO  
3 Harris Bank for a transfer of funds dated February 20th,  
4 2013.

5                   You have in your packet the 2013  
6 proposed budget dated January 16th, 2013, along with  
7 some various letters from IDEM approving the 2012 cash  
8 balance and the amount of trust we can transfer.

9                   You have in your board packet East  
10 Chicago Waterway Management District Form 1099-MISC.  
11 It's on the agenda for approval consideration for  
12 signature.

13                   You have in your board packet a  
14 letter from myself to Cynthia Mainstar dated February  
15 12th, 2013, regarding a (inaudible) request we received  
16 from her. And you have the invoice to her along with  
17 the check from her for \$28.40 to the Waterway Management  
18 District for making copies.

19                   You have in your packet the  
20 Resolution 2013-1 for amending the bylaws, along with a  
21 copy of the revised bylaws. And the revised bylaws has  
22 a date of January 10th, 2013. And that's also on the  
23 agenda for approval consideration. As a reminder, at  
24 the January meeting, the board already approved amending  
25 these bylaws. And amending the bylaws requires passage

1 by the board in 2 board meetings. So this is the second  
2 board meeting for consideration.

3                   You have in your packet Resolution  
4 2013-2, and that is a resolution regarding the use of  
5 user fees for a study of Jeorse Park Beach. Attached to  
6 that resolution is a couple supporting documentations.  
7 One letter dated February 15th, 2013 from Board  
8 President John Fekete to Maggie Burn of Indiana  
9 Department of Natural Resources. And a letter from IDEM  
10 dated February 7th, 2013 to Board President John Fekete,  
11 from IDEM commissioner Thomas Easterly. And it's titled  
12 Letter of Support to Provide Funds for Jeorse Park  
13 Modeling.

14                   You have in your board packet  
15 summary table dated February 20th, 2013. This is a  
16 summary of user fees collected in 2013 so far. And  
17 supporting that spreadsheet is the letters to the bank  
18 with the deposit slips. One letter is dated February  
19 13th, 2013. The other letter for deposit is February  
20 19th, 2013. And then a third with today's date,  
21 February 20th, 2013.

22                   You have in your board packet  
23 Citizens Bank statement ending in 608 dated January  
24 31st, 2013. And Citizens Bank account ending 616 with  
25 the same date.

1 BMO Harris ECI Facility Trust Report  
2 dated February 19th, 2013. BMO Harris Bank account  
3 ending in 761 for the month of January, 2013. And  
4 account ending in 712 for the same period. You have a  
5 BMO brokerage account statement for account ending in  
6 534, also for the month of January, 2013. You have in  
7 your packet a form 1099-INT, interest income from BMO  
8 for tax year 2012.

9 You have a document from Chicago  
10 Title Company, LLC, dated -- it's a 1099-S for the 2012  
11 proceeds from real estate transactions. And I believe  
12 this is for the sale of the parking lot of the property  
13 owned by the Waterway Management District to Safety  
14 Kleen.

15 And a Citizens Bank 1099-INT for the  
16 year 2012 interest income earned.

17 You have in your packet meeting  
18 notes dated January 29th, 2013 authored by myself  
19 regarding a meeting with Adam Tokarski with Arcadis  
20 regarding boom manifest and disposal and 3-phase  
21 hydrocarbon recovery on the south tank farm.

22 You have in your packet a letter  
23 from Clean Harbors dated January 21st, 2013 regarding  
24 their acquisition of Safety Kleen.

25 You have in your packet report from

1 Attorney Ellen Gregory dated February 18th, 2013. And a  
2 board report from the Army Corps of Engineers dated  
3 February 20th, 2013.

4 Those are the items in your board  
5 packet. A couple things to report on.

6 There were a couple of meetings held  
7 with Mayor Copeland in the last week or so. Board  
8 President John Fekete and I met with the mayor on  
9 February 8th, and then a second meeting was held with  
10 the mayor, BP and Attorney Ellen Gregory and myself on  
11 February 13th. Some of the items discussed in those  
12 meetings include the south tank farm Consent Decree,  
13 development of the south tank farm, the 1991 agreements  
14 and Great Lakes Legacy Act.

15 I met with the finance committee on  
16 February 6th, 2013. And the committee members attending  
17 were John Fekete, Mike Ebert and Mr. Ray Lopez. Items  
18 discussed, the 2012 cash balance spreadsheets that Mr.  
19 Tim Anderson and I worked on. Those numbers were  
20 presented to the finance committee, which they agreed  
21 with and were submitted to IDEM. A copy of a  
22 concurrence letter and an email from IDEM are included  
23 in your packet. The 2012 cash balance was used to  
24 calculate the dollars needed from the trust and non-  
25 trust accounts for the 2013 budget, and that's reflected

1 on the spreadsheet provided to you today.

2                   There are 2 account release  
3 authorization letters that I mentioned that are in your  
4 board packet, and they're on the agenda for approval  
5 consideration. One is from the trust and the other is  
6 from the non-trust account, which is needed for the 2013  
7 budget.

8                   We also reviewed an analysis that I  
9 provided of FMT's time spent in 2012, trust versus non-  
10 trust. We reviewed the structure and information  
11 provided in FMT's invoices. The feedback I received  
12 from the committee is now reflected in my invoicing. We  
13 reviewed FMT's performance evaluation. And I shared  
14 with the finance committee the insurance application  
15 that was provided to me and the information they are  
16 requesting. And we also discussed the Jeorse Park  
17 modeling effort.

18                   The dredging project. As mentioned  
19 in the past, there was a lot of work, a lot of meetings  
20 held regarding the use of the 2 bridges, the canal  
21 bridges within East Chicago. Just to make sure the use  
22 of those bridges would minimize the impact on the  
23 community and stakeholders. I have checked with some of  
24 the stakeholders and no negative issues were reported  
25 during dredging regarding the canal use. So I'd like to

1 thank all those that participated in the 4 or 5 meetings  
2 that we had, particularly the Army Corps of Engineers in  
3 the congressman's office for their efforts to minimize  
4 the impact of those bridges on the community.

5 I checked with Safety Kleen, BP,  
6 Mittal, the city's emergency management, Herbie Cruz,  
7 and with the schools. One of the things we talked about  
8 was after the winter phase of dredging was to kind of  
9 look back and check to see if what we did was working  
10 properly. So far so good.

11 One opportunity for improvement that  
12 I did hear was that INDOT would like more advanced  
13 notice when dredging will start and finish so they can  
14 plan for their seasonal manpowers. So I'll let the  
15 Corps handle that effort.

16 A meeting is scheduled with the  
17 Corps next week, Wednesday, the 27th at 2:00 p.m. at the  
18 CDF site to discuss the Indy Boulevard beautification.  
19 The city engineer and a representative from the city  
20 planning department have been invited. Board member  
21 John Bakota has said he could make it there. So if any  
22 other board members would be interested in attending  
23 that meeting, you're welcome, as long as there's only 3  
24 or less.

25 I mentioned I had a meeting with



1 BP's consultants, Adam Tokarski of Arcadis. Those  
2 meeting notes are in our packet. Attorney Ellen Gregory  
3 and I have reviewed the manifests that they've provided.  
4 On your agenda today is approval to sign the manifest  
5 profile.

6 Also in your board packet, I  
7 mentioned there's the annual report as provided by Tim  
8 Anderson. If you notice, the budget report has been  
9 modified, and it was modified so the line items directly  
10 reflect what our Waterway Management budget line items  
11 are. In the past, we kind of adopted the city's budget  
12 reporting, where 2 or 3 items are grouped into one. So  
13 now we get to look at the budget report with the line  
14 items that have been approved and be able to match one  
15 item per one item. So I want to thank Tim for modifying  
16 that report so it's easier on the eyes, so to speak.

17 And that concludes my report.

18 **MR. FEKETE:** Any questions for Mr.  
19 Trevino?

20 **(NO RESPONSE) .**

21 **MR. FEKETE:** I'll entertain a motion  
22 to accept his report.

23 **MR. RODRIGUEZ:** So moved.

24 **MR. BAKOTA:** Second.

25 **MR. FEKETE:** All in favor signify by

1 saying aye.

2 **THE BOARD:** (Collective "aye").

3 **MR. FEKETE:** Any objections?

4 **(NO RESPONSE)**.

5 **MR. FEKETE:** Hearing none, it's  
6 approved. Thank you.

7 The next item is the approval  
8 consideration of the board meeting notes for our last  
9 meeting, which was January 16th.

10 **MR. BAKOTA:** Motion to accept.

11 **MR. FEKETE:** Do I have a second?

12 **MR. LOPEZ:** Second.

13 **MR. RODRIGUEZ:** Second.

14 **MR. FEKETE:** We have a motion and a  
15 second. All in favor signify by saying aye.

16 **THE BOARD:** (Collective "aye").

17 **MR. FEKETE:** Any objections?

18 **(NO RESPONSE)**.

19 **MR. FEKETE:** No objections. Thank  
20 you. Approval consideration for 2013 budget transfer  
21 requests. Fernando, do you want to present that  
22 document?

23 **MR. TREVINO:** Yeah.

24 **MR. FEKETE:** It's in our packet and  
25 I know you mentioned it, but let's make it formal.

1                   **MR. TREVINO:** Sure. You have 2  
2 letters basically that look like this.

3                   **MR. FEKETE:** Yes.

4                   **MR. TREVINO:** And just to kind of  
5 summarize, 2012 was the first year that the operating  
6 budget for the Waterway Management District was shared  
7 by the trust and non-trust dollars. So 2013 will be the  
8 same.

9                               Generally speaking, it's an 80/20  
10 split. 80 percent from the trust, 20 percent from the  
11 non-trust. So the 2 letters that you have reflect the  
12 dollars needed from the trust and the dollars needed  
13 from the non-trust. And if you match up each letter  
14 with the spreadsheet that was provided, you'll see the  
15 calculations that were used to come up with the net  
16 dollars needed from each account. After you subtract  
17 the 2012 cash balance and you subtract the interest  
18 earned, and then there's an additional \$6,000 from the  
19 non-trust budget that should have happened in 2012 and  
20 didn't. So we've got to correct that in 2013. And if  
21 there are any detailed questions on that, I'll let Mr.  
22 Tim Anderson handle that.

23                               But if you look at the bottom line  
24 numbers, they match the dollars that are on the transfer  
25 authorization letters.

1                   **MR. FEKETE:** Okay. Looking at the 2  
2 letters, and we'll go in the order that it appears on  
3 the agenda. So the first approval consideration is  
4 actually the BMO Harris letter, which is the second one.  
5 Is that correct?

6                   **MR. TREVINO:** That's correct.

7                   **MR. FEKETE:** I'll have a motion to  
8 approve the consideration for the trust fund release  
9 letter.

10                  **MR. BAKOTA:** Motion to accept.

11                  **MR. LOPEZ:** Second.

12                  **MR. FEKETE:** We'll have a roll call  
13 vote. John Bakota?

14                  **MR. BAKOTA:** Yes.

15                  **MR. FEKETE:** Ray Lopez?

16                  **MR. LOPEZ:** Yes.

17                  **MR. FEKETE:** Henry Rodriguez?

18                  **MR. RODRIGUEZ:** Yes.

19                  **MR. FEKETE:** John Fekete, I vote  
20 yes. Ernie Jones? Mike Ebert? Rich Gomez? It's been  
21 approved.

22                  **MR. TREVINO:** And just a note.  
23 Something I think worth noting is that one letter is  
24 signed by board president John Fekete, and the other is  
25 signed by the treasurer and fiscal officer, Mike Ebert.

1 And the reason for that is, the board president is  
2 signatory to the BMO Harris bank account, and Mike  
3 Ebert, treasurer and fiscal officer, is to Citizens  
4 Financial Bank.

5 **MR. FEKETE:** Thank you. Second item  
6 is the approval of the first letter in your packet,  
7 which is the approval consideration for non-trust fund  
8 release. And again, I'll entertain a motion to approve.

9 **MR. LOPEZ:** Motion to accept.

10 **MR. RODRIGUEZ:** Second.

11 **MR. FEKETE:** Roll call vote. John  
12 Bakota?

13 **MR. BAKOTA:** Yes.

14 **MR. FEKETE:** Ray Lopez?

15 **MR. LOPEZ:** Yes.

16 **MR. FEKETE:** Henry Rodriguez?

17 **MR. RODRIGUEZ:** Yes.

18 **MR. FEKETE:** John Fekete, yes.  
19 Ernie Jones? Mike Ebert? Rich Gomez? Approval is  
20 recognized.

21 Accounting consultant report.

22 **MR. ANDERSON:** Tim Anderson, Clifton  
23 Larson Allen. I have a report for January in your  
24 packet. And it's just one month, so I'll talk real  
25 slow.

1                   The first page of the report shows  
2 our receipts and disbursements. We had \$161 of interest  
3 during January on the operating account and the user fee  
4 account.

5                   And then we paid -- the list of  
6 disbursements, those are all actually payables from  
7 2012. So we paid \$24,045 of legal fees, engineering,  
8 transcripts, all of our expenses. And that is basically  
9 the December bills that were paid in January.

10                  So for the month of January, we had  
11 a decrease in cash of \$23,000. The ending cash balances  
12 at December 31st, there's \$68,233 in the operating  
13 account, and \$1,157,000 in the user fee account.

14                  The next page of the report is a  
15 schedule of cash account activity, and it just shows the  
16 interest going into the accounts and the cash  
17 disbursements coming out. Just basically the same  
18 information on the page before.

19                  The last page though I think is  
20 worth looking at. As Fernando noted in his report, we'd  
21 always been following the City of East Chicago, kind of  
22 grouped all of our accounts in different ways so I guess  
23 it would be simpler to administer. And I think there's  
24 some value in having the numbers look exactly like the  
25 budget. So Fernando and I kind of crafted this page to

1 look just like our budget.

2                   And this is a good month to look at  
3 this because there's not a lot on it. So the 2013  
4 budget appropriation column, that's what you guys  
5 approved for 2013 expenditures. The way that the  
6 appropriations work, you get to add the accounts payable  
7 from December 31st that you didn't pay until January to  
8 that budget that you guys approved. So the total  
9 appropriation column is really the budget that you  
10 passed plus the payables. And then you can see that we  
11 paid all of our payables in January, so that last column  
12 is the budget that you approved.

13                   And so Fernando was -- these  
14 transfers that you guys just approved, what's going to  
15 happen is, after you make those transfers there will be  
16 \$427,332 in the operating account. So at all times our  
17 cash in the operating account should be the unspent  
18 budget. And we worked on those numbers to make sure  
19 that we were transferring exactly what was necessary for  
20 the budget.

21                   So that's it. Any questions I can  
22 answer?

23                   **MR. LOPEZ:** Yeah. So that \$427,332,  
24 that's in there as of January 31st?

25                   **MR. ANDERSON:** That's the budget

1 that you guys passed. So once you make those transfers  
2 that you guys just approved, that's what will be in the  
3 checking account is 427. That's how that works. It's a  
4 little confusing.

5 And we're going to track these  
6 costs, just like they are on this page, through the  
7 year. And you guys will be able to see what's unspent  
8 for each line that you approved in the budget. It  
9 should be a little easier to follow this year.

10 **MR. LOPEZ:** Can you do me a favor?

11 **MR. ANDERSON:** Sure.

12 **MR. LOPEZ:** Make it a little bit  
13 bigger.

14 **MR. ANDERSON:** Yeah, sure.

15 **MR. LOPEZ:** Thank you.

16 **MR. ANDERSON:** Very good.

17 **MR. FEKETE:** Any more questions for  
18 Mr. Anderson, other than the ones that have been asked?

19 **(NO RESPONSE) .**

20 **MR. FEKETE:** Thank you, Tim.

21 **MR. ANDERSON:** Thank you.

22 **MR. FEKETE:** The accounts payable  
23 voucher register that we have before us. We need to  
24 have a motion to approve.

25 **MR. LOPEZ:** Motion to accept.



1                   **MR. FEKETE:** Second?

2                   **MR. BAKOTA:** Second.

3                   **MR. FEKETE:** Roll call vote. John

4 Bakota?

5                   **MR. BAKOTA:** Yes.

6                   **MR. FEKETE:** Ray Lopez?

7                   **MR. LOPEZ:** Yes.

8                   **MR. FEKETE:** Henry Rodriguez?

9                   **MR. RODRIGUEZ:** Yes.

10                  **MR. FEKETE:** John Fekete, yes.

11 Ernie Jones? Mike Ebert? Rich Gomez? The motion to

12 accept and pay the voucher register has been approved.

13                   Do you want to explain the 1099

14 filing? Is that just a form that I need to sign?

15                  **MR. ANDERSON:** I'm sorry, I didn't

16 see that button. We have to send out 1099s to all of

17 our service providers. Us, Fernando, Ellen. And the

18 government now would like these forms electronically

19 filed. And so we prepared the 1099s for everybody to

20 look at, and if they meet your approval, there's an

21 authorization form that the board would sign and then we

22 would electronically transmit the 1099s.

23                  **MR. TREVINO:** So is it just one area

24 that requires their signature, Tim?

25                  **MR. ANDERSON:** Yes. That's a copy.

1 That's not the electronic version. We print out the old  
2 version just so you can look at them.

3 **MR. TREVINO:** So John just needs to  
4 sign this?

5 **MR. ANDERSON:** Yes, one signature on  
6 that authorization page, that's all we need. And those  
7 1099s, that's what was actually paid to all those folks  
8 during the calendar year '12.

9 **MR. FEKETE:** It would be appropriate  
10 to have board approval to have me sign this. We can do  
11 that by voice vote. So entertain a motion to have me  
12 sign the 1099 release form, or electronic filing form.  
13 Entertain a motion.

14 **MR. LOPEZ:** Motion.

15 **MR. BAKOTA:** Second.

16 **MR. FEKETE:** All in favor signify by  
17 saying aye.

18 **THE BOARD:** (Collective "aye").

19 **MR. FEKETE:** Happy to do it.

20 **MR. ANDERSON:** And those are due end  
21 of February, so we'll get those electronically filed.  
22 And the recipients all have a hard copy of their 1099s.

23 **MR. FEKETE:** Give me just a moment,  
24 please. I'll sign this and I'll hand it to you.

25 Next item on the agenda, the deposit

1 of \$28.40. We had an unusual thing. We had an FOIA  
2 request for some information pertaining to appeals. And  
3 in accordance with proper procedures, we charged 10  
4 cents a copy for the filing and received a check for  
5 \$28.40. In discussion with Fernando, since it's unique  
6 to us, we're going to approve his deposit of that into  
7 our account.

8 **MR. TREVINO:** Non-trust.

9 **MR. FEKETE:** Non-trust account. But  
10 since this is kind of unique and a first time for us,  
11 just to get an approval voice vote.

12 **MR. LOPEZ:** Shouldn't we put it in  
13 the trust fund account?

14 **MR. FEKETE:** No, this is an appeal  
15 for the user fees.

16 **MR. LOPEZ:** \$28.00.

17 **MR. FEKETE:** Yeah.

18 **MR. TREVINO:** Yeah, the information  
19 requested was strictly for information related to the  
20 user fees.

21 **MR. FEKETE:** Entertain a motion for  
22 that.

23 **MR. LOPEZ:** If we did it wrong,  
24 we'll get a clarification from the state.

25 **MR. BAKOTA:** Motion to accept.

1                   **MR. FEKETE:** Is there a second?

2                   **MR. RODRIGUEZ:** Second.

3                   **MR. FEKETE:** All in favor signify by

4 saying aye.

5                   **THE BOARD:** (Collective "aye").

6                   **MR. FEKETE:** Approval consideration,

7 resolution to amend our bylaws. This will be our second

8 and final reading, so this will constitute approval. We

9 had discussion on this in the past. Are there any

10 questions?

11                   **(NO RESPONSE) .**

12                   **MR. FEKETE:** Entertain a motion to

13 accept the resolution to amend the bylaws.

14                   **MR. LOPEZ:** Motion to accept.

15                   **MR. FEKETE:** Do I have a second?

16                   **MR. RODRIGUEZ:** Second.

17                   **MR. FEKETE:** Roll call vote. John

18 Bakota?

19                   **MR. BAKOTA:** Yes.

20                   **MR. FEKETE:** Ray Lopez?

21                   **MR. LOPEZ:** Yes.

22                   **MR. FEKETE:** Henry Rodriguez?

23                   **MR. RODRIGUEZ:** Yes.

24                   **MR. FEKETE:** John Fekete, I vote

25 yes. Ernie Jones? Mike Ebert? Rich Gomez? The motion

1 to amend the bylaws has been approved on second and  
2 final reading. Thank you very much.

3                   Next order of business is a  
4 resolution to approve on first reading the use of the  
5 user fees for the study of the Jeorse Park and Jeorse  
6 Park Beach. We've had discussion on this in the past.  
7 Are there any other questions pertaining to this?

8                   **(NO RESPONSE) .**

9                   **MR. FEKETE:** I will inform  
10 everybody, just to let you know, that the initial plan  
11 was to get approval -- use this money for a local match  
12 for approval from the state DNR, and we were trying to  
13 meet a February filing date or a grant date. There has  
14 been an extension requested by Michigan State  
15 University, and DNR's response was well, rather than  
16 grant an extension, they will basically designate their  
17 match money, which will be an additional \$40,000, but  
18 hold it off until the April grant approval date. So  
19 that's going to be the procedure that's going to be  
20 followed.

21                   But in any event, it gives us a  
22 little more time to find out more information about what  
23 Michigan State is actually going to be doing. So that  
24 was one of the questions that was raised in an earlier  
25 discussion.

1                   In any event, I'll entertain a  
2 motion to approve this resolution.

3                   **MR. RODRIGUEZ:** Motion to approve.

4                   **MR. BAKOTA:** Second.

5                   **MR. FEKETE:** Signify by roll call  
6 vote. John Bakota?

7                   **MR. BAKOTA:** Yes.

8                   **MR. FEKETE:** Ray Lopez?

9                   **MR. LOPEZ:** Yes.

10                  **MR. FEKETE:** Henry Rodriguez?

11                  **MR. RODRIGUEZ:** Yes.

12                  **MR. FEKETE:** John Fekete, yes.

13 Ernie Jones? Mike Ebert? Rich Gomez? Motion has been  
14 approved on first reading.

15                   The next order of business is the  
16 approval consideration for Fernando to sign manifest  
17 profile.

18                   **MR. LOPEZ:** Motion to accept.

19                   **MR. FEKETE:** Entertain a second.

20                   **MR. RODRIGUEZ:** Second.

21                   **MR. FEKETE:** All in favor signify by  
22 saying aye.

23                   **THE BOARD:** (Collective "aye").

24                   **MR. FEKETE:** Approved by voice vote.

25 Harris Bank trust report, Mr. Alonzo.

1                   **MR. ALONZO:** Good afternoon, David  
2 Alonzo with BMO Harris Bank.

3                   Just going to run through our report  
4 here. As far as the first page, it just goes through  
5 the historical distributions and values from '97 up  
6 until now.

7                   If you go to the second page, the  
8 value as of 2-19 was \$6,366,210. From our last meeting,  
9 that was a positive difference of \$41,173. It would be  
10 great to say that was from interest earned, but of  
11 course in this low rate environment, that's not. What  
12 happened was, on January 14th, I ran the report for the  
13 last meeting, and on January 17th we had made that BP  
14 deposit of \$34,200. So in essence we did have a  
15 positive gain from interest from the previous month of  
16 \$6,973. There was a couple CDs that had paid out some  
17 interest over the last couple months.

18                  Going on to the third page, one  
19 thing I did highlight there in yellow was the maturity  
20 date. Coming up here in April, we've got a 1.5 million  
21 dollar CD that's going to be coming due. The rate we've  
22 been earning on that CD has been .4 percent. This was a  
23 1-year CD. Looking at the rate environment, it's  
24 actually not gotten any better. It's actually come down  
25 a little bit for a 1-year CD. We're about 35 basis

1 points right now.

2 I'm going to go back and we're going  
3 to take a look at the investment policy again for the  
4 trust. Take a look to see if we can maybe find some  
5 agency bonds that we've invested in prior and see if we  
6 can get some better yields on this money as things are  
7 starting to come due this month. We've got some big CDs  
8 coming up. That's probably going to be something that  
9 maybe I can email Fernando about looking at an  
10 investment committee meeting as I start to pull some  
11 things together with some recommendations on possibly  
12 looking at bonds.

13 And right now, we do have \$790,226  
14 sitting in cash right now in the money market account.  
15 That's where for any time we have the budget, the money  
16 comes out of there. And I haven't seen what the budget  
17 would be coming out of the trust but typically we're  
18 about \$500,000 we do keep in that account.

19 Were there any questions at all?

20 **MR. LOPEZ:** Just one comment.

21 Remember you used to have the pie, the breakdown?

22 **MR. ALONZO:** Yeah.

23 **MR. LOPEZ:** Can you do that again?

24 **MR. ALONZO:** Yeah, we can do that.

25 At the time we had done it, it was a little different



1 because we were investing in multiple bonds, which were  
2 different agency bonds, different departments. Since  
3 we've been in CDs right now, it's basically 100 percent  
4 CDs, but we can add it into it. And as we maybe move  
5 into another direction we can see percentages of where  
6 money's going to CDs, money markets.

7 **MR. LOPEZ:** With all the paperwork  
8 we have, it would be easier just to match it.

9 **MR. ALONZO:** Okay. And then I could  
10 take the letter of authorization today if you wanted me  
11 to.

12 **MR. TREVINO:** Yes. I just want to  
13 make a copy of it.

14 **MR. FEKETE:** Do I need to sign  
15 anything for you, now that I'm president?

16 **MR. ALONZO:** No. I'll verify with  
17 the bank, but I believe we still have you on file. I  
18 guess the question would be should we remove then Ernie  
19 from all signing?

20 **MR. TREVINO:** Well, he's vice-  
21 president, so I think he still could sign in John's  
22 absence as vice-president.

23 **MR. FEKETE:** Yeah.

24 **MR. ALONZO:** All right.

25 **MR. FEKETE:** Thank you very much.

1 Mr. Nguyen.

2 **MR. NGUYEN:** Hi, Mike Nguyen with  
3 the Army Corps of Engineers. This should be fairly  
4 quick, since there's little activity going on at the CDF  
5 site.

6 For the update on the construction.  
7 The groundwater gradient control, we're still conducting  
8 ongoing testing and repairs at the gradient control  
9 system.

10 For the facility and dredging  
11 operations. Dredging operations are shut down for the  
12 winter, and we anticipate dredging to resume in the  
13 spring of this year.

14 For the permits, the Corps is still  
15 gathering information for the TSCA permit submittals.

16 And the oil boom configuration, BP  
17 has reinstalled the oil boom across the canal at the  
18 Indianapolis Boulevard bridge.

19 And for the PCA and other  
20 agreements, we actually are borrowing a lawyer from  
21 Detroit to discuss the PCA amendment with Ellen. And  
22 we're still conducting additional work in-kind  
23 documentation. And that's all I have for my report.

24 **MR. FEKETE:** I'm glad to see you're  
25 going to be meeting with Mr. Bakota next week.

1                   **MR. BAKOTA:** I'll quit mentioning it  
2 then. When it's done.

3                   **MR. NGUYEN:** When it's done. It  
4 will be a good meeting. I want to go out there and see  
5 the issues at hand.

6                   **MR. BAKOTA:** I appreciate your  
7 effort.

8                   **MR. RODRIGUEZ:** What day is that  
9 meeting?

10                  **MR. NGUYEN:** Wednesday at 2:00  
11 o'clock.

12                  **MR. LOPEZ:** I want to thank you for  
13 the invite, but I'll be in Washington, D.C.

14                  **MR. TREVINO:** And if any board  
15 member wants to attend, I'm meeting John Bakota here.  
16 If you want to meet here, we'll meet here, Henry.

17                  **MR. FEKETE:** It's been a meeting a  
18 long time in coming. Now that we have a little down  
19 time for the Army Corps, let's take advantage of some of  
20 these things.

21                  **MR. NGUYEN:** Thank you.

22                  **MR. FEKETE:** Any new business to  
23 come before the board?

24                  **(NO RESPONSE) .**

25                  **MR. FEKETE:** Any other business?

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(NO RESPONSE) .

MR. FEKETE: Public comments?

(NO RESPONSE) .

MR. FEKETE: Hearing none, the next  
board meeting is March 20th at 5:00 p.m. in this  
location.

I'll entertain a motion for  
adjournment.

MR. BAKOTA: Motion to adjourn.

MR. RODRIGUEZ: Second.

MR. FEKETE: All in favor signify by  
saying aye.

THE BOARD: (Collective "aye").

MR. FEKETE: This meeting is  
adjourned.

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1 STATE OF INDIANA )  
2 ) SS:  
3 COUNTY OF LAKE )  
4

5 **REPORTER'S CERTIFICATE**

6  
7 I, MARY L. SLAFINDOR, Court Reporter and Notary  
8 Public in and for the State of Indiana, do hereby  
9 certify that I have transcribed from my stenographic  
10 notes the above-entitled meeting of the East Chicago  
Waterway Management District Board of Directors Meeting.  
Said notes contain all of the statements made during the  
meeting, to the best of my ability.

11 I further certify that the foregoing transcript, as  
12 prepared by me, is a full, true, correct and complete  
copy of said stenographic notes made in the above-  
entitled meeting.

13 IN WITNESS WHEREOF, I have set my hand this 16th  
14 day of March, 2013.

15  
16 MARY L. SLAFINDOR, Court Reporter  
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